

Brixmor Property Group Inc.
Form 8-K
August 22, 2014

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d)

of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): August 21, 2014

Brixmor Property Group Inc.

(Exact Name of Registrant as Specified in its Charter)

Maryland
(State or Other Jurisdiction
of Incorporation)

001-36160
(Commission
File Number)
420 Lexington Avenue

45-2433192
(IRS Employer
Identification No.)

New York, New York 10170

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(Address of Principal Executive Offices) (Zip Code)

(212) 869-3000

(Registrant's Telephone Number, Including Area Code)

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 5.01 Change in Control of Registrant.

(b) Information required by Item 403(c) of Regulation S-K regarding arrangements known to the registrant which may at a subsequent date result in a change of control.

The information set forth under Item 8.01 below is incorporated by reference into this Item 5.01.

Item 8.01 Other Events.

On August 21, 2014, BRX Holdco LLC, an affiliate of the investment funds associated with or designated by The Blackstone Group L.P. that are the current majority owners of Brixmor Property Group Inc. (the Company), informed the Company as follows:

BRX Holdco LLC's wholly-owned subsidiary, BRX Holdco II LLC (the Borrower) has entered into (i) a Margin Loan Agreement dated as of August 21, 2014 (the Loan Agreement) with the lenders party thereto (each, a Lender) and the administrative agent party thereto and (ii) Pledge and Security Agreements of even date, in each case between one of the Lenders, as secured party (each, a Secured Party and, collectively, the Secured Parties) and Borrower, as pledgor (the Borrower Pledge Agreements), and BRX Holdco LLC, BRX BREP VI.TE.1 Holdco A LLC, BRX BREP VI.TE.1 Holdco B LLC, BRX BREP VI.TE.2 Holdco A LLC, BRX BREP VI.TE.2 Holdco B LLC, BRX BREH VI Holdco A LLC, BRX BREH VI Holdco B LLC, BRX BREH VI-ESC Holdco A LLC, BRX BREH VI-ESC Holdco B LLC, BRX Throne REIT Holdco A LLC, BRX Throne REIT Holdco B LLC, BRX Throne REIT BREH VII Holdco A LLC, BRX Throne REIT BREH VII Holdco B LLC, BRX Throne REIT BREH VII-ESC Holdco A LLC and BRX Throne REIT BREH VII-ESC Holdco B LLC (each, a Guarantor and collectively, the Guarantors) each entered into (i) with each Lender, a Pledge and Security Agreement (each, a Guarantor Pledge Agreement and, collectively with the Borrower Pledge Agreements, the Pledge Agreements) and (ii) with the administrative agent and the Lenders, a Guarantee of even date of the Borrower's obligations under the Loan Agreement (each, a Guarantee and, collectively with the Loan Agreement and the Pledge Agreements, the Loan Documents). Each of the Borrower and the Guarantors is affiliated with The Blackstone Group L.P.

As of August 21, 2014, the Borrower has borrowed an aggregate of \$900.0 million under the Loan Agreement. Subject to the satisfaction of certain conditions, the Borrower may borrow up to an additional \$350.0 million if the existing or new lenders agree to provide such additional advances. Pursuant to the Pledge Agreements, to secure borrowings under the Loan Agreement, the Borrower and the Guarantors have collectively pledged approximately 137.4 million shares (collectively, the Pledged Shares) of common stock, par value \$0.01 per share (Common Stock) of Brixmor Property Group Inc. (the Company). The Pledged Shares represented approximately 56.0% of the Company's issued and outstanding Common Stock as of August 1, 2014, or approximately 45.2% of the Company's issued and outstanding Common Stock as of August 1, 2014 assuming the exchange of all outstanding shares of common stock of BPG Subsidiary Inc. and common units of partnership interest in Brixmor Operating Partnership LP. In addition, affiliates of The Blackstone Group L.P. currently expect to pledge up to an additional approximately 3.5 million shares of Common Stock in the 20 business days following execution of the Loan Agreement and may pledge additional shares of Common Stock in the future, including shares issued in exchange for outstanding shares of common stock of BPG Subsidiary Inc. and common units of partnership interest in Brixmor Operating Partnership LP.

The Loan Agreement contains customary default provisions. In the event of a default under the Loan Agreement by the Borrower, the Secured Parties may foreclose upon any and all shares of Common Stock pledged to them and may seek recourse against the Borrower.

The Company did not independently verify or participate in the preparation of the foregoing disclosure. In addition, the Company is not a party to the Loan Documents and has no obligations thereunder, but has delivered letter agreements to each of the Lenders in which it has, among other things, agreed, subject to applicable law and stock

exchange rules, not to take any actions that are intended to materially hinder or delay the exercise of any remedies by the Lenders under the Pledge Agreements.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BRIXMOR PROPERTY GROUP INC.

By: /s/ Steven F. Siegel
Name: Steven F. Siegel
Title: Executive Vice President, General
Counsel and Secretary

Date: August 22, 2014